

MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Regular Meeting

September 17, 1981  
3:00 P.M.

Council Chambers  
301 West Second Street

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The meeting was called to order with Mayor McClellan presiding.

Roll Call:

Present: Mayor McClellan, Mayor Pro Tem Trevino, Councilmembers  
Deuser, Duncan, Urdy  
Absent: Councilmembers Goodman, Mullen

INVOCATION

The Invocation was given by Dr. Bruce Murray, Crestview Baptist Church.

RESOLUTION FOR DARON BUTLER

Mayor McClellan read a resolution, signed by all members of the Council, commending Daron K. Butler for his years of service to the City of Austin. Mr. Butler, who has been Assistant City Manager, thanked the Mayor and Council for the Resolution and also for the Distinguished Service Award the Mayor presented to him. He said his tenure, first as Budget Director and then as Assistant City Manager, has been four good and exciting years. Mr. Butler told Council there were many people to thank and that he has enjoyed the support and cooperation of the department heads.

## RESOLUTION TO BE BROUGHT BACK

Council had before them for consideration a resolution to consider approval of a certain tract of land as street right-of-way or sanitary sewer and water line easements. They agreed to bring this resolution back to Council after there has been a detailed analysis with environmental groups.

## APPROACH MAINS

Council had before it for approval the following approach mains:

1. N.P.C. REALTY COMPANY
  - To construct a wastewater approach main and lift station to serve 818 living units in villages at Walnut Creek Subdivision. Estimated cost is \$371,000 with no City cost participation.
2. N.P.C. REALTY COMPANY
  - To construct a wastewater approach main in Little Walnut Creek. Estimated cost is \$450,000 with no City cost participation.
3. SHELL OIL COMPANY
  - To construct a 12-inch water approach main to serve the 60.8 acre Shell tract. Estimated cost is \$28,111 with no City cost participation.

Councilmember Duncan said he had a question concerning the allocation of the Little Walnut Creek relief money which concerned another item on the agenda and asked it be considered at the same time. The other item is a resolution as follows:

Consider determining the allocation of remaining capacity (expressed in Living Unit Equivalents) in the Lower Walnut Creek Relief Main.

Mr. Bulloch, Director of Water and Wastewater, appeared before Council and stated: "The chronology of how we got to this project and why it is here and why the Council is reviewing it and some of the factors that have gone into the discussion of the Planning Commission the past 4 or 5 months will be reviewed. During the summer of 1980 the staff was working with the Bill Milburn Company on an approach main in northwest Austin to facilitate the development of properties known as Milwood. In October of 1980 the Planning Commission and the City Council approved an approach main for Milwood Section 6, this is a wastewater approach main that tied into the Northwood Lift Station. The staff identified to the

Milburn Company at that time there had to be downstream improvements from their subdivision to the Northwood Lift Station before they could proceed with additional platting. We began working with your engineers in the fall of 1980 to identify what those improvements would be and that discussion went on about six months. That discussion ended in the Upper Walnut Creek Relief Main which was approved by Council back in early June. We also identified in the spring of 1980 as we were going through that analysis and as we were working with IBM on the completion of the next phase of their program that there was a problem of capacity in the Little Walnut Creek line around the section of Peyton Gin and Lamar. The source of this capacity problem was not that the line was too small but the fact the slope was too flat. ... We at that time notified IBM who had already tied into the system that we were concerned about some operational problems we were having because of that flat section and also talked to the Milburn Company about the fact they would have to, as they proceeded with the Upper Big Walnut Creek Relief Main, also take care of the downstream problem in Little Walnut Creek because obviously the Big Walnut Creek project they had tied into the Northwood Lift Station which lifted waste water into Little Walnut Creek, if we did not take care of the problem downstream, we would have a capacity problem as Northwood Lift Station lifted the wastewater into Little Walnut Creek as the Milwood Subdivision built out. As a result of that the Little Walnut Creek Relief Main project was generated. There were other people who were at the same time during 1980 discussing the best wastewater service in the area, mainly the North Austin Preferred Growth Corridor MUD and Nash Phillips Copus who was also pursuing wastewater service to their property from Big Walnut into Little Walnut. So those four individuals, IBM, which was on line; Milburn Company; North Austin Preferred Growth Corridor MUD; and NPC agreed to proceed with the Little Walnut Creek relief project and we put it on the Planning Commission agenda in May, 1981. IBM has been very cooperative and very gracious in recognizing the problem the City had, not one that they have, in agreeing to participate in funding that project and we appreciate their cooperation and their patience with us in bringing this project to you for consideration. During the period of time that the Planning Commission began reviewing that project, May, June, July and August, they had a number of concerns as far as the policy implications of the project. (1) of the obvious identification of upstream capacity deficiency in the Little Walnut Creek system by the identification of this project was necessary to bring on new customers; (2) the pending bond election and what the implication would be for the entire area of Little Walnut and Big Walnut if the bond issue passed or failed as far as availability of wastewater service in the north Austin area and in the growth corridor; (3) an equity issue had all the people that were in Little Walnut Creek and the different applicants in the subdivision process been treated fairly under the existing policies and ordinances?

"During July and August several other people brought in subdivision plats wanted to proceed with projects and in order, the four that I am aware of at this time were Capital City Development Corporation who brought approach mains and plats in on July 10, 1981; Big John Subdivision brought plat and approach mains in on July 15, 1981; Lamar & Rundberg Subdivision brought their existing plat attempting to get it finalized July 28, 1981, and the Summertree Development Corporation has a project in Little Walnut Creek. These four plats were presented to the Planning Department and as usual processed through the department during the months of July and August. As a part of the subdivision ordinance we responded to each one as they went through the process about service availability. The proposal that you have before you as far as people that are being recommended for services at this time, include IBM, which is on line at this time; the Milburn Company which has been working on trying to pursue their projects since October of 1980; the North Austin Preferred Growth Corridor MUD, with whom we have a contractual relationship for service; NPC; Capital City Development Corporation; and Big John Subdivision. Those projects utilize the entire capacity of the proposed relief main project; We would certainly, if we could, enlarge that project to generate more capacity in the system to accomodate more people. This relief main utilizes the entire capacity of that section of Little Walnut and to make that project larger would be incompatible with the downstream system. There is not more capacity downstream by simply making the relief main project larger. We would have an incompatible system. Otherwise, we would have looked at that option and proceeded with that knowing the demands for service in that area. Our major concern in bringing this project to the City Council is to insure we have complied with the subdivision requirements as far as certifying to the Planning Commission and ultimately to the City Council that service is available to projects before they have to be finally platted if they are to get service from the City. There could be other alternatives and to make certain we have followed the procedures that have been laid out as far as responding to plats and the process and also proceeding with the approach main. We feel like we have done that and tried to be careful as each one of those plats has been presented to the staff by the Planning Department as they come in we have responded to them in a sequential manner. We are recommending a proposal that provides service to IBM, to the Milburn Company, to the North Austin Preferred Growth Corridor MUD, to a portion of the NPC project of which they have other needs that they are looking at alternatives to satisfy, to Capital City Development Corporation and to the Big John Subdivision.

Council asked questions and discussion followed. Councilmember Duncan commented that when this is allocated we will be out of wastewater in north Austin. Mr. Bulloch affirmed this will take up most of the capacity north of 183 and that the upper Big Walnut Creek Relief Main will be completed in 1981.

Paul Jones, representing Lamar & Rundberg Subdivision, appeared before Council and stated, "This property was annexed to the City of Austin 12 years ago and has been paying taxes for 12 years. It is in the Little Walnut Creek Water Shed. The only source of treatment for service for this property is the Little Walnut Creek Main. There is no alternative of being able to get to Big Walnut which exists for a number of the tracts which you are considering today. Where this is the alternative there is available sewer in Big Walnut but it is more convenient presently to pump into Little Walnut. This property is in the Preferred Growth Corridor II, whereas 60% of the property considering approval today is in III and IV. It's further a critical element to consider that the very main we are discussing today, the 24" relief main is approximately 10% physically located on this tract. That much of it is 300' of the 2800 odd feet physically located on the tract. Further understand that when the preliminary was approved in February of 1980 the only requirement was connection to the City sewer system. There is no intimation that there was no sewer. When Bill Scudder, who is now doing design work, was involved as the land planner on that was employed toward the end of 1980 and at that time specifically contacted the water and wastewater department and was specifically informed that there was sewer service available. Based upon these representations the planning went forward. When the approvals or the consideration of both a special permit and the final subdivision were considered, there was still no mention ever made that there was no waste water. The first intimation that anything was tied to the Little Walnut Creek relief main came at about the middle of August when the information came out on the review of the special permit that the development could not continue until it was connected to the Little Walnut Creek relief main. No intimation that you couldn't get into it. People seeking information concerning the main and how to participate were told to come to a public hearing on August 11th. That public hearing was continued until after the bond election so there was no hearing then so the first that there was knowledge that you couldn't get in was September 8th. At this point then all the planning had gone forward, all the design had gone forward on a piece of ground that is inside the preferred growth corridor, approximately 4½ miles from the North Austin Growth Corridor MUD, for example, which is outside the City limits. The entire posture of these people is they purchased the property on the basis of being in the preferred growth corridor, of having sewer available, of checking it specifically, of being informed that it was available, of proceeding with all of the work on that basis, and of never even being informed that there was a relief main that would effect them until after the fait accompli. Our whole position is that this is inside the City limits and there ought to be some consideration it seems to us on serving those citizens who are inside the City limits and have been for, in this case, twelve years, versus those citizens who are outside the City limits and even outside the preferred growth corridor. That's generally the basis of our whole position. We are prepared to pay our fair share. We have the line on our property and it is to be on our property and there is no alternative that is readily available to the use of this property. We can't pump to Big Walnut with basically any amount of money. And that's where we are. I think there are others similarly situated from what I have observed since we got into this last Friday."

Councilmember Duncan asked when they filed their preliminary. Mr. Jones stated it was approved February 26, 1980. Mr. Bulloch stated, "We were not aware that their project was anywhere in the process. Evidently they had an approved preliminary. The people we were talking to were the people who were trying to get their subdivisions finalized. .... We received the final plat for the Lamar & Rundberg Subdivision on July 28th. We commented back on the 13th that wastewater service was not available because of lack of system capacity. The only comment I would make is that we are an operating utility and we have an obligation to customers basically on adopted policies, set service areas and can't discriminate on people whether they are inside or outside the City. It is based on whether or not they are in the service area and based on the subdivision process."

Discussion followed concerning the policy.

Mr. Albert DeLaRosa, Acting City Attorney, told Council, "Our utility system is viewed by the courts in the same light as a private utility system. We're subject to the same rules and regulations because we are a monopoly and we do not have the option to pick and choose customers. If we are in a particular area and we choose to provide service to that area, either inside the city or outside the city, we cannot pick and choose our customers. We have no obligation to serve customers outside of the City of Austin. Once we go beyond the City limits which we are authorized to do and once we are in that area making commitments, providing services, then it is simply a matter of looking at everyone as they come into the City for service and making sure that they will meet all of our rules and regulations regarding the provision of utility service. Again, State law stresses we cannot discriminate in the provision of those services and we have taken the position that we must look at each individual and as he comes into the City and asks for approval of service to see whether or not there is capacity in the system. That is where we have derived our first come, first served rule. The key is always the capacity. When the next person comes into the department seeking service we will look and see where the capacity is in the line." More discussion followed.

Mr. George McCanse, president, Summertree Development Corporation and of the Texas Town Home Company in Austin told Council, "My company is the final firm that has a plat in process mentioned by Mr. Bulloch. Our filing was made late in August of this year. You can take what Mr. Jones just said about his property and compare it exactly to mine which is located directly to the north across the street. We are both on properties through which the main Little Walnut Creek line passes. We both had indicated our intentions, at least to the Special Permit process, long before this issue became known that problems were to be had and no mention was ever given by the City in any memorandum that we had that there was problems with utilities in this area. My situation is such that we were to start a second phase of our Summertree Condominium project three days ago but now had to postpone because we did not learn until the first of September that utilities were not available. That is the first we heard of the situation.

We did not hear about this allocation of living unit equivalents until last Sunday. We spent the early part of this week trying to find out what was going on and what we could do about it. Our position is this and it is similar to Mr. Jones': These properties being served are outside the City limits, which I understand there is a legal obligation to serve. But in most cases these are properties which are not going to be completely developed for some time to come, whereas everything that we are doing on Summertree condominiums, the Summer Creek adjacent to it and the Kramer Condominiums on Kramer Lane, will be developed within the next 18 months and some are to start within the next two to three months. We feel there a question of these people have been allocated capacity, when is this capacity to be served? My needs are immediate. This is something needed today for immediate development of starter condominiums which is what we specialize in for people buying their first home. Obviously, as Mr. Jones said, I have nowhere else where I can go to sewer. According to what Mr. Bulloch has said, they are already giving up the capacity in the Big Walnut Creek line, thus, is there going to be relief once those lift lines are taken away from Little Walnut. That is unknown because of the problems downstream. We are in position with currently planned projects, two of which have special permits approved and have had for some months and are ready to develop today. My request to Council is, I understand your consideration, you have legal obligations to your approach main policy. I just ask you to fairly consider the needs of those people who are in the City limits that have projects ready to go, versus those that are planned for some years in the future."

Discussion followed.

Floyd Hill, representing John Hye interest in Houston, told Council they are upstream and have a final plat pending. His concern is that, according to a letter sent by Mr. Bulloch, if they are not ready by September, then they will not be served. He said they will move rapidly.

Ed Wendler appeared before Council to discuss the situation and is of the opinion that the only way is to use the first come first served rule.

Johnny Joseph said their plat is within the city limits and they have reduced their capacity request.

Scott Robertson, Capital City Development Association, told Council the lines pass through their property and they are ready to build their apartment project immediately.

Ed Wendler Jr., Provident Development Company, told Council they have dropped their gallons per minute request to 328 gpm.

Mayor McClellan said Council really has no option. Councilmember Duncan requested that options be brought back to them regarding the growth area and the City limits. Councilmember Deuser said he would like to look at the policy and bring Council's attention to new capacity.

Motion

Councilmember Urdy moved that the Council adopt a resolution approving the following approach main:

N.P.C. REALTY COMPANY

- To construct a wastewater approach main and lift station to serve 818 living units in Villages at Walnut Creek Subdivision. Estimated cost is \$371,000 with no City cost participation.

The motion, seconded by Mayor Pro Tem Trevino, carried by the following vote:

Ayes: Mayor McClellan, Mayor Pro Tem Trevino, Councilmembers Deuser, Duncan, Urdy

Noes: None

Absent: Councilmembers Goodman, Mullen

Councilmember Urdy moved that the Council adopt a resolution approving the following approach main:

N.P.C. REALTY COMPANY

- To construct a wastewater approach main in Little Walnut Creek. Estimated cost is \$450,000 with no City cost participation.

The motion, seconded by Mayor Pro Tem Trevino, carried by the following vote:

Ayes: Mayor McClellan, Mayor Pro Tem Trevino, Councilmembers Deuser, Duncan, Urdy

Noes: None

Absent: Councilmembers Goodman, Mullen



Councilmember Urdy moved that the Council adopt a resolution approving the following approach main:

SHELL OIL COMPANY

- To construct a 12-inch water approach main to serve the 60.8 acre Shell Tract. Estimated cost is \$28,111 with no City cost participation.

The motion, seconded by Mayor Pro Tem Trevino, carried by the following vote:

Ayes: Mayor McClellan, Mayor Pro Tem Trevino, Councilmembers Deuser, Duncan, Urdy

Noes: None

Absent: Councilmembers Goodman, Mullen

Motion

Councilmember Urdy moved that the Council adopt a resolution determining the allocation of remaining capacity (expressed in Living Unit Equivalents) in the Lower Walnut Creek Relief Main. The motion, seconded By Mayor Pro Tem Trevino, carried by the following vote:

Ayes: Mayor McClellan, Mayor Pro Tem Trevino, Councilmembers Deuser, Duncan, Urdy

Noes: None

Absent: Councilmembers Goodman, Mullen

CAPA

Mr. Bill Bode, president, Capital Area Pharmaceutical Association, appeared before Council to discuss English is a difficult language. He distributed a fact sheet to Council and explained it. (CITY CLERK DID NOT RECEIVE A COPY) He said the main thing they do not want is a central pharmacy.

DRAINAGE ON PROPERTY DISCUSSION

Ms. Elisabeth M. Zschiesche appeared before Council to discuss the drainage system for her property. She requested a storm gutter on Duval Street because the drainage is so poor. She was flooded during the Memorial Day storm and has water draining into her property from three sides.

Mayor McClellan asked the staff to talk to Mrs. Zschiesche and to prepare a report for Council concerning what can be done.

## CITIZEN DID NOT APPEAR

Ms. Pam R. Thompson, who had requested to present Council with a bicycling petition, did not appear.

## METROPOLITAN ROADWAY PLAN

Mayor McClellan opened the public hearing scheduled for 3:30 p.m. on the amendment to the Metropolitan Roadway Plan regarding the designation of Barton Skyway.

Dr. Benson appeared before Council to state it is the recommendation of Urban Transportation to not build the Barton Skyway bridge and designate it minor arterial.

Bill Carson, representing Horseshoe Bend, recommended against the building of Barton Skyway Bridge and requested the designation as minor arterial.

Motion

Mayor Pro Tem Trevino moved that the Council close the public hearing, and on recommendation of Urban Transportation, designated Barton Skyway as a minor arterial. The motion, seconded by Councilmember Deuser, carried by the following vote:

Ayes: Mayor Pro Tem Trevino, Councilmembers Deuser, Duncan, Urdy, Mayor McClellan

Noes: None

Absent: Councilmembers Goodman, Mullen

## EXECUTIVE SESSION

Mayor McClellan announced that Council will convene in a closed or executive session authorized by Section 2, Paragraphs (e), (f), and (g) of Article 6252-17, Texas Revised Civil Statutes Annotated; and after such closed or executive session, any final action, decision or vote with regard to any matter considered in the closed or executive session will be made in open session, should such action, decision or vote be necessary.

Mayor McClellan announced that the Council would go into executive session at this time to consider the items authorized in Section 2, Paragraphs (e), (f) and (g) of Article 6252-17, Texas Revised Civil Statutes Annotated.

## RECESS

Council recessed its meeting at 5:00 p.m. for the Executive Session and resumed its recessed meeting at 5:45 p.m.

## PUBLIC HEARING - MEDICAL ASSISTANCE PROGRAM

Mayor McClellan opened the public hearing scheduled for 5:30 p.m. on pharmacy provision for Medical Assistance Program. She asked for a show of hands of those in the Chamber audience who wished to speak. From the number who indicated their intent to speak, Mayor McClellan determined time allotted to each would be two minutes.

Motion - Died for Lack of Second

Councilmember Deuser made a motion that speakers be allowed to talk for three minutes. There was no second to the motion.

Mayor Pro Tem Trevino and Councilmember Urdy indicated that due to the length of the meeting and the number of items still to be discussed, they agreed to the two minute time limit.

Dr. Randall, Director, Austin/Travis County Health Department, appeared before Council to say that in March of this year the Medical Assistance Advisory Board requested that we evaluate the pharmacy and the in-patient services program of MAP in as much as they were looking like they would be over budget allocated for the year. "We presented to them three alternatives in the statistical information that is necessary to go with this regarding these alternatives, one of which was the continuation of the program we currently have, the second one was a joint program and the third was an in-house operation. On April 6th the MAP advisory board recommended there be a major change in the delivery of pharmacy services in an effort to reduce the cost and strengthen the management controls, thus recommended that we establish the centralized in-house pharmacy service. A number of participating pharmacists and senior citizens expressed concern about the recommendation and various meetings have been held. As a result a request was made to allow the pharmacists to present an alternate program to our advisory board. This was done at a special meeting on July 27, 1981. At this meeting the Citizens Public Awareness Program report was presented to the advisory board by a representative of the vendors pharmacy and a group of citizens. As a result of this meeting and an additional one held during the regular August 10th meeting the Advisory Board rescinded the recommendation of August 10th and agreed to recommend an alternative program.

On August 13 a combination community pharmacy and clinic pharmacy proposal was recommended by the board. The reason I went through the brief background was that there has been distributed in certain areas information relative to some of the activities that were considered when the program was to have been in-house but which are no longer part of the proposal. Home deliveries are banned, that would not be part of the program that is being considered. Once a week delivery to nursing homes would not be a part of the proposal. And clinic card holders obtaining their prescriptions from City clinics must do so on Monday through Friday between 8 and 5, that to some extent is correct, it will be during the clinic hours and then the clients to pay the \$1.50 per prescription, that is part of the proposal which will be presented to the Council.

Dr. Randall stated the proposal is to charge \$2.85 per prescription, implement a co-pay of \$1.50 per prescription, and client may choose clinic, pharmacy or vendor pharmacy. The CPAC proposal is \$3.00 or \$3.35 per prescription according to the use of brand name or generic products, no co-pay recommended, client must choose vendor pharmacy.

Bill Sheffield, a member of MAP Board, spoke against the proposal. He does not think the City should get into the pharmacy business.

Willie Kocurek told Council to leave the program as it is.

A woman who did not identify herself, representing the residents at Lakeside Apartments, said they oppose the centralization of the program.

Shudie Bovey went over the CPAC proposal.

Tom Taylor, owner and administrator of a nursing home in Austin, said he concurs with most of the proposal but residents in nursing homes have problems. It is difficult for them to go out and buy prescriptions. He said the City needs a therapeutic advisory committee.

Lyle Hammer and Gretchen Alley spoke in favor of present plan.

Velma Kruze wants the pharmacy in the clinics because she feels it will be more help there.

Alvera Romero said he would like the pharmacy to be in the clinic.

A woman who did not identify herself asked for the pharmacy to be in the clinic.

Frank Horsfal said he salutes Dr. Randall in defeat.

Soneida Casus thinks the pharmacy should be in the clinic.

Attila Miguel asked for in-house pharmacy in the model cities.

Irene Vasquez said it would be easier to have the pharmacy in the clinic.

A woman who did not identify herself spoke on the issue.

A man who did not identify himself talked against co-pay.

A woman who did not identify herself said she likes the system as it is.

Mary Walker, Lakeside resident, asked why the clinic does not fill prescriptions with generic drugs. Wayne Bysall, member of TPA, said the drug code index is approved by staff and if the drug is not in the index, they cannot use them.

Benjamin Edwards said he would rather go to a clinic than hospital.

Bill Bode passed out a fact sheet to Council and discussed it. (CITY CLERK DID NOT RECEIVE A COPY). He spoke in favor of the CPAC plan.

A woman who did not identify herself said the pharmacy should be in the clinic.

#### Motion

Mayor Pro Tem Trevino moved that the Council close the public hearing. The motion, seconded by Councilmember Duncan, carried by the following vote:

Ayes: Councilmembers Duncan, Urdy, Mayor McCellan, Mayor Pro Tem Trevino, Councilmember Deuser

Noes: None

Absent: Councilmembers Goodman, Mullen

Council had before them a resolution to amend the current agreement for provision of pharmacy services to Medical Assistance Program clients for the fiscal year beginning October 1, 1981. Mayor McClellan said Council will make the final decision along with the budget.

#### RECESS

Council recessed its meeting at 6:45 p.m. and resumed its recessed meeting at 7:05 p.m.

## SOUTH TEXAS NUCLEAR PROJECT

Council had before it an ordinance ordering an election on November 3, 1981, relating to the South Texas Nuclear Project. Consideration of the ordinance will be discussed at the September 18, 1981 meeting at 12:00 noon.

## FAIR HOUSING ORDINANCE

Council had before them for consideration an ordinance to consider ordering an election relating to the amendment of the Fair Housing Ordinance to include sexual orientation as a protected classification. Consideration of the ordinance will be discussed at the September 18, 1981 meeting at 12:00 noon.

## ITEMS FROM COUNCIL POSTPONED

Councilmember Mullen had put two items on the agenda for consideration. Since he was not present in the Council Chamber, it was announced they would be postponed.

Discussion of an alternative method of financing utility extensions in new subdivisions will be held on September 24, 1981.

Discussion of water and wastewater service areas as they relate to the Master Plan will be held on October 8, 1981.

PUBLIC HEARINGS  
PROPOSED ENERGY MANAGEMENT PLAN  
RENEWABLE ENERGY DEVELOPMENT PLAN

Mayor McClellan opened the public hearings, scheduled for 6:00 p.m. on the Proposed Energy Management Plan and Renewable Energy Development Plan.

Mr. Patton, CCEMP Task Force, stated, "I'm appearing on behalf of the CCEMP Task Force to make a recommendation that Council adopt the Comprehensive Community Energy Plan as proposed by the Task Force. I'd like to state that there are 135 citizens who participated in the development of the plan, and as recommended it reflects the independent determinations of the six subcommittees who worked on the plan. I would like to caution that though it be in part somewhat disjointed, that there is an effort on the part of the task force and subcommittee to present to the Council the spectrum of the views that were received at the public hearing and the input from the individual committee people." He introduced the executive committee to Council. They are Ava Lindhart, Bob Mather, Dennis Kamenitas, Gary Jordan, Elisa Kaplan, Bob Russell, Roger Baker. Mr. Patton said he thinks the practicalities and economics of the implementation of the plan are going to dictate that it be taken a small chunk at a time and thinks the basic starting point should be the consideration of continuing the audit

process to make it more specific to Austin. He said input so far has mainly been by non-experts and he thinks it is probably time for experts to have a hand in the development of the plan.

Mr. Bob Russell, representing the Renewable Energy Resources Commission, said the City needs the plan and hopes the City will fund it. "It contains policy guidelines and very useful tools for the development of the City over the next 20-25 years into an energy efficient, compact, very livable, likable city. The city will be better because it will take less electricity for us to run it. The Renewable Energy Development Plan was developed by a citizens group comprised of nearly 100 people who were strictly volunteers. There was very little money available to that task force and very little staff support, simply because there was no office to support it. Some of the critics of the plan have failed to note that we were not able to do engineering studies, we were volunteers and there were not very many of them and engineers don't volunteer their time anyway in their specialty areas. None of us were economic experts and some of the criticisms I've read of the RED Plan take us to task on the economics of the Plan and yet we had no way to conduct the analysis that we are being criticized for not conducting. We offer to the City policy guidelines and throughout the RED Plan we have included the caveat that we don't want anything to happen that is not economically feasible. It will be up to experts and whoever to determine the feasibility of some of these things and critics that come down hard on the economics of the situation are very unfair to the volunteer group that worked very hard to come up with good policy guidelines. .... Now let me stop and represent not the Renewable Energy Resources Commission, but only myself. I am very distressed by the criticism we have received from the Electric Utility Commission, from the Energy Conservation Commission, from the Americans for Energy Independence. These people are not offering positive suggestions or help, they are obstructions and are standing in the way of what has to be the future for the City of Austin. I have specific things in mind. The Renewable Energy Resources Commission has spent \$30,000 this far in the preparation of this study done by the Electric Utility Department called Conservation the Renewable Energy Resources Study. This is primarily a literature review without much detail but it covered the area pretty thoroughly. When Mr. Hancock presented this volume to the Renewable Energy Resources Commission he was asked by the chairman, Mr. Barisch if it had changed his mind any about renewable resources and about the direction the City should take. Mr. Hancock's answer to that was it has not changed his mind any at all. The Electric Utility Commission was hostile to the plan....a couple of members criticized the engineering of the plan and economic analysis of the plan. There is no engineering or economic analysis in these plans. ....those who call for analysis should direct their comments to the monstrosity at Matagorda Bay. ....The two plans offer us a way out of a future that we are so overburdened by debt in that we don't have any options in any other other area in any sector of the City ...no mass transportation, no parks. If we spend our money on a 400 megawatt share of a power plant that may not ever be finished we are insane and those people who offer that are, I think, insane.

Mayor McClellan said, "I would, Mr. Russell, respectfully request that you are here to present the Renewable Energy Development Plan and I am glad you put in a disclaimer before you started on the other, but I think this is not a public hearing on the Nuke. We will have time for that.

Mr. Russell continued, "The other place I want to point my finger besides the Electric Department has to do with the Building Inspection Department. When CCEMP Task Force held its public hearing on January 15th we discovered because one of the City staff confessed to us at that hearing, that the Building Inspection Department had failed to begin enforcing the Energy Conservation Provisions ASHRAE 9075. The man who called attention to the BID's lack of enforcement of a plan....the Council adopted ASHRAE 9075 in October of 1980, there's a three month grace period...In January of 1981 that plan should have started being enforced. It was not. The man who was hired to enforce it was not allowed to do his job and finally, he was squeezed out of the Building Inspection Department because he had the temerity to stand up in a public hearing and say that his boss was not letting him do his job. Now, I think any City Department who does not respond to the policy directions that this Council gives it ought to be cleaned out. Those people who refused to follow the Council's direction should look elsewhere for employment. This City needs to move now in the direction of conservation and renewable resources and anybody who gets in our way should step aside." Councilmember Duncan thanked him for his work on the Commission and said they would follow up on his complaint regarding the Building Inspection Department.

A man who did not identify himself, read a statement from Dick Shocket and Gwen Sederholm. It is as follows:

Our comments regarding the Comprehensive Community Energy Management Plan (CCEMP) and the Renewable Energy Development (RED) Plan fall into two categories: overall impressions and reactions to specific components. Overall we feel the RED Plan, in general, is a better document to use as a guide for development of an energy program. The only objection to the RED Plan was item #9 under Policy #1 dealing with amendment of the Building Code to require retrofit of existing residential structures.

Rather than mandating this amendment, controversial because some felt it an infringement of private property rights, make this an incentive project. The pay-back benefit over a ten-year period should be well publicized. Also, make available through the City Utility solar water heaters to be paid for monthly with the utility bill at a no interest or very low interest rate. Also of concern was the cost and size of an office for the energy audits on these homes. And finally among those in support of this amendment was the concern with the political problems of passing a plan with this component.



Our impressions with the CCEMP is that it is too broad and far reaching for use as a practical working document. We commend the task force for their many innovative and other excellent suggestions for energy conservation but have several problems in recommending adoption.

Dealing with this much information covering so many areas (some strategies in conflict with others) is difficult and presents several problems. Again the implementing bureaucracy needed in terms of cost and manpower would be enormous.

Our committee had differing opinions and reservations about several parts of the Plan, particularly the Land Use Committee report:

1. The concept of the first doubling may be unworkable as a growth management tool.
2. Infill development of the central city could destroy the unique quality of life in Austin (with multi-family dwellings in older neighborhoods) and is in conflict with the suggested retention of green space to avoid the heat island effect. The intense infill proposed will also promote the growth of LCRA as a large scale competing water and wastewater utility. This would not be in the best interest of the City with regard to growth management.

A revision of the zoning plans could attend to infill in a less arbitrary manner. For example, currently garage apartments are not allowed to be built in Austin; changing this policy and the required square footage of lots for building one or two unit adjacent apartments on existing home sites should be studied.

3. The concept of a Manhattanized central Austin, promoting the use of mass transit and working to end traffic congestion. As long as traffic moves freely, with only minimal congestion for brief periods, mass transit is unlikely to be used.
4. The recommendation to declare creeks and rivers public greenbelts by ordinance.
5. The mandatory dedication of parkland by developers.

We liked specific ideas, such as the recycling pilot program, the elimination of drive-in banking, restaurants, etc. for fuel preservation.

The focus at this time should possibly be on those items of high priority for immediate consideration. At the same time the recommended CCEMP ongoing committee will continue to re-evaluate other goals and strategies, particular emphasis being to concentrate on practical application, eliminating conflicting ideas, and condensing repetitive committee goals."

Roger Baker, Austinites for Public Transportation, appeared before Council to state he agrees with the bulk of the information with a few parts, particularly the part that advocates nuclear power. He recommended weatherizing and other cost effective approaches.

Dennis Kanenitsa, who appeared before Council, said he served on the Production Subcommittee of the Executive Committee and on a Plan-Writing Subcommittee of the Executive Committee. Their task was determining the best means of producing energy for Austin. Their Recommendation is that not only should Austin's share of the STNP be retained, but that the possible options on lignite-powered electrical production should be carefully studied. Mr. Kanenitsa went on to say:

The future value of renewable resources was recognized and the vital role of conservation was encouraged, but the need for non-natural gas means of producing electricity was seen to be absolutely imperative. This is dramatically highlighted by the fact that next year, Austin will use at least half of its fuel budget or approximately \$60,000,000 to produce  $\frac{1}{4}$  of its electricity by means of natural gas.

With the current growth rate of Austin, which is approximately 6%, which is about 50% higher than the City utility department has been estimating for the past couple of years, and the rapid increase in natural gas prices, which are much greater than 10% a year, it can easily be seen that the natural gas bill the City will have by the end of the decade could reach 1,285,000,000 dollars. That's 1.2..almost 1.3 billions strictly for natural gas. Thus, in the next 9 years..9 years,our natural gas bill could far exceed any of the projections that have been made on overruns on the South Texas Nuclear Project by at least \$500,000,000. That's strictly natural gas cost..no operating and maintenance.. nothing else.

The lignite option, which may be necessary in addition to nuclear, is now estimated to be well over \$800,000,000, considering the plant and the mining facility, which in itself is considerably more than the nuclear power option. Lignite also has many undesirable environmental and health consequences, which would have to be taken into consideration if that's considered as an option.

Conservation up to this point has been a critical aspect in Austin's energy picture for at least the better part of the last decade. There has been at least a 24% decrease in residential use of electricity per capita over that period. In spite of that decrease in per capita use, there still has been an overall growth rate in electricity, which has continued to increase...the rate, that is, not the amount..but the rate has continued to increase. Thus we will have to match these conservation efforts in the next few years, just to prevent our growth rate from increasing as it has been for the past several years..it is going to take a significant conservation effort no matter what we do.

There is the possibility of renewable resources. These have a very real fascination for a lot of people as you have heard already, but they don't have a whole lot of track record in the way of actual performance yet. For example, there is no utility in the nation which currently generates a significant amount of electricity at least compared to the South Texas Project share, with for example, wind power, which has been recommended by some people as a substitute for Austin. There are some large scale schemes which are in more favorably situated parts of the country wind-wise, but these are only in the preliminary design stages, and they have uncertain estimates as to the economic, which results before you have ever built anything. Once they have proven themselves in areas with these better wind regimes than Austin, then we can begin to look at them seriously for application in our own area.

Other forms of renewable energy, such as co-generation, low-head hydro, bio-mass, etc., at the present time appear to be either available in such small quantities that they are not going to produce a significant amount of electricity in the next decade or two, or in such poor economics that they are premature.

An on-going process to investigate and keep abreast of these developments along with research and a local insulation-wind regime characteristics is a quite appropriate activity to undertake at the time. This is the type of program which the City office of Conservation and Renewable Resources would be called on to conduct, and which to be adequate to the necessary tasks, would require at least several years of base line data.

However, to hold Austin's energy future in limbo while waiting for the renewable resources to be developed to the magnitude that we would need them, is quite reckless. Austin's energy future quite obviously lies not solely in conservation or renewable resources or in conventional sources, but all three.

Our most immediate concern should be to free ourselves from the burden of expensive natural gas. The only way that we can hope to achieve this in the next decade or probably two, is by conventional means of generating electricity. It can most safely be done with a mixture of fuels, such as coal, nuclear, lignite and possibly some gas, since we can be absolutely certain of no single fuel. By reducing the cost of our energy as much as possible, through getting off of natural gas, and by making sure that we use as little as possible through conservation, this allowing us to alter the mix of fuels that we use, we could prepare to adopt new energy sources as they are shown to be economical and practical in Austin's particular circumstances.

I realize this is a rather unpopular stand to take, and to help substantiate to a certain degree, the figures that we came up with..I personally came up with on STNP, I would like to cite..I don't know if the Council members have a copy of the Task Force report in front of them, but one of the subcommittees made a study of the cost of the South Texas Project, which is quite independent of the estimate that the Electric Utility Department made. It is on page 121, of our volume II..the Appendix. And it was done by the Renewable Resources Subcommittee, and to put it mildly, it was not done to put nuclear power in a good light. But I want to analyze the figures that were done here to show exactly what they mean when you apply them to the real world.

Basically what they did is they took a cost estimate by Councilmember Deuser, which has been made on the nuclear project, of \$4.69 billion dollars. They took..some of the stuff may be a little bit technical, but bear with me..they took a capacity factor put out by an anti-nuclear activist Kominoff, that is actually about 5 to 8% low, which is actually more significant than some of these other factors, and then a top estimate for decommissioning of about 3000% over current estimates was used. Now when these somewhat non-optimistic assumptions were made, they came out with a cost for the South Texas project electricity in 1992 of about 9.15 cents per kilowatt hour, as compared with about 5½ cents per kilowatt hour today on the average, which sounds like a lot of money, and it is. But when you look at it, if you apply a 5% interest rate, over the next 11 years, until 1992, 5½% we are currently paying for electricity, you find out that this figure of 9.15 is actually 3% lower than we are paying today in real dollars. Now this is anything but an optimistic estimate. And 5% inflation over the next 11 years is anything but a ..overly pessimistic estimate. In fact if you take a somewhat more realistic projection for the interest rates over the next 11 years...take 7% for example...you

are talking about what actually amounts to a 21% decrease in real dollars. That is...the average cost of electricity starting today at 5.5% and inflating at a rate approximately of 7% a year, which for fuels and energy production is very low..in fact it is probably going to be in the range of twice that. We come out with a 21% decrease in real dollars for this estimate. It is not the City's. The City's estimate is about half this, but it gives you an idea of the economics involved in South Texas.

Now a 21% decrease in real dollars cost for electricity would be desirable on its own, but when you put that in light of the natural gas that is going to be used in the same time interval. We have a growth rate of approximately 6%. We have an increase approximately..well, actually, we have an increase over 10% a year for natural gas cost, but if you assume 10% a year and 6%, you find at the end of the same time period, we have spent \$1,838,000,000 on natural gas, which if that is all we spent over the next 11 years, money on natural gas, we will end up with a big gas bill and nothing but another big gas bill to look for in the 90's.

The alternative forms of energy which I mentioned, have tremendous possibility and need definitely to be investigated, but as I said, we simply can't put our fuel generation needs in abeyance until these come along. There are other parts of the country in which they will be economically competitive much earlier than here, and some of the technologies such as photovoltaics, may never be competitive to some of the technologies we are talking about now, like nuclear or lignite. It simply remains to be seen, and these technologies are not yet sufficiently developed for us to wait on them.

Paul Robbins appeared to say he thinks renewables have a good place in energy conservation. He recommends money be available for public education and put it where it can do good, such as with speakers groups.

Robert Mather read a statement regarding his support for the Energy Management Plan and the RED PLAN. (STATEMENT ON FILE IN CITY CLERK'S OFFICE)

Ted Cherkansky thinks the CCEMP program should be adopted in its entirety. He said a source of cheap, safe energy is preferable and said pressurized water has a steam cycle which would be cheapest for Austin.

Chartier Newton, executive committee member of ATA, recommends CCEMP. He said energy conservation should be encouraged without penalizing the citizens.

Rick Manning, secretary to the board of Austin Community Gardens, urged Council to continue community gardens and to recycle leaf materials for fertilizer. He recommended following the mandate of the REDPLAN.

Lyndon Henry, Citizens for Public Transportation, told Council that mass transportation could save energy and suggested the implementation of light rail service.

Bill Brandt, speaking for Austin Energy for Independence, said thus far Austin has made correct energy choices and coal and lignite are good choices. Abandonment of STNP, he said, would be sheer folly. Mr. Brandt said any proposals adopted by the City should be qualified so it does not subvert what the City has embarked upon and priorities and cost analysis is needed.

Karen McGraw, member of the Downtown Task Force, said downtown is the prime place to begin energy conservation.

Brenda Oliver, chairperson of Austin Tomorrow Committee, handed out a report concerning growth management. (COPY ON FILE IN CITY CLERK'S OFFICE)

Cynthia Tannehill Faulk Ryland told Council countries all over the world use energy well without nuclear.

Mr. Patton told Council that if the citizens of Austin vote down STNP without lignite in the background, we will be in a disaster situation.

Ari Wright, Austinites for Public Transportation, is for CCEMP and REDPLAN. She said we must not let the city grow without planning for public transportation.

Kevin Insen spoke in favor of STNP.

Martha Meacham is against lignite and asked the adoption of the Renewable Energy Plan.

A man who did not identify himself spoke in favor of STNP and against coal.

Ray Reece, Central Texas Energy Association, wants Austin to sell their share in the nuclear plan.

Noah Lawson, a chimney sweep, discussed pollution and said there should be more study done on using wood for an energy resource.

Motion

Mayor Pro Tem Trevino moved that the Council close the public hearing. The motion, seconded by Mayor McClellan, carried by the following vote:

Ayes: Councilmembers Urdy, Mayor McClellan, Mayor Pro Tem Trevino,  
Councilmembers Deuser, Duncan

Noes: None

Absent: Councilmembers Goodman, Mullen

BOARD AND COMMISSION APPOINTMENTS

Mayor McClellan announced the following board and commission appointments are due to be made on September 23/24, 1981:

Arts Commission - 1  
Building Code Board of Appeals - 2  
Building Standards Commission - 1  
Dental Health Advisory Committee - 1  
Electric Utility Commission - 4  
Energy Conservation Commission - 1  
Ethics Review Commission - 1  
On-Going Goals Assembly Committee - 1  
Hospital Board - 4  
Environmental Board - 1  
PARD - 1  
Plumbing Advisory Board - 1  
Renewable Energy Resources Commission - 3  
Citizens Traffic Safety Commission - 1  
Vending Commission - 2  
Austin Community Education Consortium - 1  
Downtown Revitalization Committee - 8  
Austin Cable Commission - 11  
Water & Wastewater Commission - 7  
Manpower Advisory Planning Council - 15  
MH/MR Board of Trustees - 2

PUBLIC HEARINGS - PROPOSED 1981-82  
ANNUAL OPERATING BUDGET

Mayor McClellan opened the public hearing, scheduled for 7:30 p.m. on the Proposed 1981-82 Annual Operating Budget. Frank Rodriquez, Assistant Budget Director, discussed budget figures.

Winnie Gage, Bicycle Task Force, appeared before Council, and distributed a report to them. (CITY CLERK DID NOT RECEIVE A COPY) The following spoke in support of more information on bike safety, and better treatment from automobile drivers and police officers: Richard Carlotta, Willie Carr, Frank Crump, John Gaynor, Steve Connors, Vera Leigh, Craig Jones, Charlotte, Mr. Eassy, and Tom Delaney.

Ms. Marilyn Bailey, board of trustees, George Washington Carver Museum, asked for funds.

Jim Chauzer asked for expansion of schedule for municipal pools.

A woman who did not identify herself, but said she represented the North Oaks Neighborhood Association spoke in favor of more library service in far north Austin. Also speaking for the library were: Hilda Kazinsky, Kay LaGrone, and Verda Welch.

John Werling asked Council to not raise property tax and include money for weatherization.

Allen Minter, president, Austin Public Library Commission, requested restoration of book budget and phone reference service.

Ken Conway, Parks Advisory Board, asked for more funds for the parks and recreation activities.

Chris Attal, president, Austin Natural Science Guild, asked for funds; as did Pat Caromb, who discussed Pioneer Farm and asked for more money for it. Carolyn Pannick also asked Council not to cut their money. She said they have great volunteer support.

Ms. Mandy asked for funding for Austin Recreation Center.

Joe Ramos, member of the Parks Board, asked for more funding.

Judy Collins, Austin Taxi League, told Council the budget can be cut by deleting taxi loaders at the airport. David Bentwith, president, Austin Taxi League, asked for an awning for cabs at the airport and said they do not need loaders. He also said the 50¢ charge per load is too high and should go back to 25¢. Paul Chambers reiterated what Mr. Bentwith said.



Rosemary Castleberry, Parks and Recreation, said more money is needed for neighborhood center programs.

Jim Perrot, president, AFSCME, distributed something to Council and discussed it. (CITY CLERK DID NOT RECEIVE A COPY) Stuart Hirsch, AFSCME, who works in Building Inspection, asked for an 8.5% wage increase. Joe Ellen Conley asked for unfreezing of merit pay. Bruce Blackwell asked for incentive pay for night shift. Steve Tallos asked for night shift differential pay. Theresa Pitwiesky asked for shift differential pay at Brackenridge. Lorrence Loss also asked for differential pay at Brackenridge. An employee of Travis County Health Department asked for 1½ pay when they have to work holidays. Allen Bowzer asked for stability pay to start sooner. Dave Bloom asked for a second personal holiday. Peter Fears, AFSCME representative, asked for an 8.5% pay raise.

Joel Woolridge, ARC Board, requested funding for repairs to the Austin Recreation Center.

Bill Bode, president, Capital Area Pharmaceutical Association, discussed ways to save money on the pharmacy budget.

Motion

Mayor Pro Tem Trevino moved that the Council close the public hearing. The motion, seconded by Mayor McClellan, carried by the following vote.

Ayes: Councilmember Urdy, Mayor McClellan, Mayor Pro Tem Trevino,  
Councilmembers Deuser, Duncan  
Noes: None  
Absent: Councilmembers Goodman, Mullen

CABLE

Councilmember Deuser moved that the Council adopt a resolution waiving the requirement of prior public notice of the consideration of the amending of Article 1, Section 7, of the Capital Cable Franchise Ordinance. The motion, seconded by Mayor McClellan, carried by the following vote:

Ayes: Councilmember Urdy, Mayor McClellan, Mayor Pro Tem Trevino,  
Councilmembers Deuser, Duncan  
Noes: None  
Absent: Councilmembers Goodman, Mullen

Councilmember Deuser moved that the Council adopt a resolution authorizing the City Manager to execute a License Agreement with M.S.G. Cable, Inc., for use of a public right-of-way. The motion, seconded by Mayor McClellan, carried by the following vote:

Ayes: Councilmember Urdy, Mayor McClellan, Mayor Pro Tem Trevino,  
Councilmembers Deuser, Duncan  
Noes: None  
Absent: Councilmembers Goodman, Duncan

Councilmember Deuser moved that the Council adopt a resolution authorizing a contract between the City of Austin and M.S.G. Cable, Inc. pertaining to the rental of Electric Department Poles. The motion, seconded by Mayor McClellan, carried by the following vote:

Ayes: Councilmember Urdy, Mayor McClellan, Mayor Pro Tem Trevino,  
Councilmember Deuser, Duncan  
Noes: None  
Absent: Councilmembers Goodman, Duncan

Mayor McClellan introduced the following ordinance:

AN ORDINANCE AMENDING ARTICLE 1, SECTION 7 OF THE ORDINANCE GRANTING A CABLE TELEVISION FRANCHISE TO CAPITAL CABLE COMPANY BY AMENDING THE REQUIREMENTS FOR A CABLE TELEVISION FRANCHISE; SUSPENDING THE RULE REQUIRING THAT ORDINANCES BE READ ON THREE SEPARATE DAYS; AND PROVIDING AN EFFECTIVE DATE.

Councilmember Deuser moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance. The motion, seconded by Mayor McClellan, carried by the following vote:

Ayes: Councilmember Urdy, Mayor McClellan, Mayor Pro Tem Trevino,  
Councilmembers Deuser, Duncan  
Noes: None  
Absent: Councilmembers Goodman, Mullen

The Mayor announced that the ordinance had been finally passed.

## TAXING UNITS

Mayor Pro Tem Trevino moved that the Council adopt a resolution directing the Tax Assessor-Collector to seek approval of three quarters of the taxing units with voting entitlement in Travis County to retain the nine member board of Director of the Travis County Appraisal District. The motion, seconded by Councilmember Deuser, carried by the following vote:

Ayes: Mayor McClellan, Mayor Pro Tem Trevino, Councilmembers Deuser, Duncan, Urdy

Noes: None

Absent: Councilmembers Goodman, Mullen

## ELECTRICAL SERVICE CONNECTION FEE

Councilmember Deuser introduced in item to Council to establish a service connection fee to connect all new electrical service within the system. He suggested the fee be \$150.00 or the cost to the City, whichever is the higher. Mr. Tom Muehlenbeck, Acting City Manager said this can be part of the discussion on rates during public hearing on the budget.

Motion

Councilmember Deuser moved that the Council discuss establishment of service connection fee to connect all new electrical service within the system during the public hearing on Monday, September 21, 1981 at 5:00 p.m. The motion, seconded by Councilmember Duncan, carried by the following vote:

Ayes: Mayor Pro Tem Trevino, Councilmembers Deuser, Duncan, Urdy, Mayor McClellan

Noes: None

Absent: Councilmembers Goodman, Mullen

## AGENDA ITEM POSTPONED

Council postponed until September 23, 1981 consideration of a resolution to retain expert witnesses to testify in support of Proposal 7 at the Public Utility Regulatory Policies Act (PURPA) hearings and at the Texas Public Utility Commission.

## ADJOURNMENT

Council adjourned its meeting at 6:30 p.m.

September 17, 1981

CITY OF AUSTIN, TEXAS

APPROVED

Carl Kato McCall  
Mayor  
10/19/81

ATTEST:

Grace Mourse

City Clerk